ASSEMBLY BILL 6

1   AN ACT *to renumber* 49.143 (3g) (a) 1., 2., 4., 5. and 6.; *to renumber and amend*

2   49.143 (3) and 49.143 (3g) (a) 3.; *to consolidate, renumber and amend*

3   49.143 (3g) (a) (intro.) and (b); *to amend* 49.143 (3) (title); and *to create* 49.143

4   (3) (b) and 49.79 (9) (f) of the statutes; **relating to:** payments based on

5   performance for Wisconsin Works and FoodShare employment and training

6   program contractors.

Analysis by the Legislative Reference Bureau

This bill requires the Department of Health Services to create and implement a payment system based on performance for entities that perform administrative functions for the FoodShare employment and training program, known as FSET. The bill specifies criteria for the performance outcomes on which the payment system must be based.

Under current law, the Department of Children and Families is required to consider certain criteria for performance bonuses for Wisconsin Works agencies. This bill requires DCF to instead use those criteria for performance–based payments to Wisconsin Works agencies. The bill does not change the current prohibition for basing any performance bonus payments on caseload decreases, or reduced spending by the Wisconsin Works agency, that are not directly attributable to placement of participants in unsubsidized employment.

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For further information see the ***state*** fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1   SECTION 1. 49.143 (3) (title) of the statutes is amended to read:

2   49.143 **(3)** (title) PERFORMANCE STANDARDS, PERFORMANCE−BASED PAYMENTS, AND

3   BONUSES.

4   SECTION 2. 49.143 (3) of the statutes is renumbered 49.143 (3) (a) (intro.) and

5   amended to read:

6   49.143 **(3)** (a) (intro.) The department shall establish performance standards

7   for the administration of Wisconsin ~~works~~ Works. If a Wisconsin ~~works~~ Works

8   agency does not meet the standards established under this subsection, the

9   department may withhold or recover any or all payment from the Wisconsin ~~works~~

10   Works agency. Performance standards under this paragraph shall be based on all of

11   the following criteria:

12   SECTION 3. 49.143 (3) (b) of the statutes is created to read:

13   49.143 **(3)** (b) The department shall create and implement a

14   performance−based payment system for all contracts under this section based on the

15   performance standards established under par. (a).

16   SECTION 4. 49.143 (3g) (a) (intro.) and (b) of the statutes are consolidated,

17   renumbered 49.143 (3) (c) and amended to read:

18   49.143 **(3)** (c) The department shall base any performance bonus calculation

19   that it makes for Wisconsin ~~works~~ Works agencies on ~~all of~~ the ~~following~~ performance

20   criteria~~:~~ ~~(b)~~ established under par. (a). The department may not base any

21   performance bonus payments on caseload decreases, or reduced spending by the

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SECTION 4

1   Wisconsin ~~works~~ Works agency, that are not directly attributable to placement of

2   participants in unsubsidized employment.

3   **SECTION 5.** 49.143 (3g) (a) 1., 2., 4., 5. and 6. of the statutes are renumbered

4   49.143 (3) (a) 1., 2., 4., 5. and 6.

5   **SECTION 6.** 49.143 (3g) (a) 3. of the statutes is renumbered 49.143 (3) (a) 3. and

6   amended to read:

7   49.143 **(3)** (a) 3. The job retention rate, as defined by the department, <u>at</u>

8   <u>periodic intervals after placement</u> of former participants in Wisconsin ~~works~~ Works

9   employment positions.

10   **SECTION 7.** 49.79 (9) (f) of the statutes is created to read:

11   49.79 **(9)** (f) 1. Subject to subd. 3., the department shall create and implement

12   a payment system based on performance for entities described in par. (a) that

13   perform administrative functions for the employment and training program under

14   this subsection. The department shall establish performance outcomes for the

15   payment system under this paragraph based on all of the following criteria:

16   a. The placement of participants of the employment and training program

17   under this subsection into unsubsidized employment.

18   b. Whether the placement under subd. 1. a. is full time or part time.

19   c. The job retention rate, as defined by the department, at periodic intervals

20   after placement of former participants in the employment and training program

21   under this subsection.

22   d. Wages and benefits earned by former participants in the employment and

23   training program under this subsection.

24   e. Appropriate implementation of the employment and training program under

25   this subsection.

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1   f. Customer satisfaction.

2   2. The department shall ensure that the payment system under this paragraph

3   does not effect the moneys available for supportive services for participants in the

4   program under this subsection.

5   3. If approval by the U.S. department of agriculture is required to implement

6   the payment system and the U.S. department of agriculture does not approve, the

7   department may not implement the payment system under this paragraph.

8   **SECTION 8. Initial applicability.**

9   (1) PAY FOR PERFORMANCE; WISCONSIN WORKS AND FOODSHARE EMPLOYMENT AND

10   TRAINING PROGRAMS. The treatment of sections 49.143 (3) (title) and (3g) (a) (intro.),

11   1., 2., 3., 4., 5., and 6. and (b) and 49.79 (9) (f) of the statutes, the renumbering and

12   amendment of section 49.143 (3), and the creation of section 49.143 (3) (b) of the

13   statutes first apply to contracts that are entered into or renewed on the effective date

14   of this subsection.

15   **(END)**